

Message Text

UNCLASSIFIED

PAGE 01 STATE 140655

21

ORIGIN EB-11

INFO OCT-01 EA-11 ISO-00 L-03 JUSE-00 COME-00 TRSE-00

CIAE-00 INR-10 NSAE-00 RSC-01 /037 R

DRAFTED BY EB/CBA/BP:GRPOWERS:VJW

APPROVED BY EB/CBA/BP:RJBUSHNELL

EA/K - PWKRIEBEL

L/EB - MASPIEGEL

JUSTICE - DROSENTHAL (SUBS)

----- 079926

R 282139Z JUN 74

FM SECSTATE WASHDC

TO AMEMBASSY SEOUL

UNCLAS STATE 140655

E.O. 11652: N/A

TAGS: ETRD, KS, US

SUBJECT: ANTITRUST: KOREAN WIG AND EYELASH EXPORTS

REF: SEOUL 2763

1. STATE AND JUSTICE DEPARTMENTS APPRECIATE EMBASSY INITIATIVE AND THOROUGH REPORTING OF DEVELOPMENTS THIS SUBJECT. ANTITRUST DIVISION OF JUSTICE HAS SECURED AUTHORITY TO CONDUCT GRAND JURY INVESTIGATION OF POSSIBLE ANTITRUST VIOLATIONS IN CONCERTED REFUSAL TO DEAL IN UNITED STATES INTERSTATE AND FOREIGN COMMERCE INVOLVING KOREAN HAIR GOODS ASSOCIATION OF AMERICA (KWA) AND PERHAPS KOREAN HAIR GOODS EXPORT ASSOCIATION (KOREAN EXPORT). KWA OFFICERS, DIRECTORS AND SHAREHOLDERS ARE BELIEVED TO BE KOREAN NATIONALS AND MEMBER CORPORATIONS ARE BELIEVED TO BE CONTROLLED BY KOREAN NATIONALS. KOREAN EXPORT IS LOCATED IN SEOUL AND HAS NO KNOWN OFFICE IN THE U.S.

2. FOLLOWING IS QUOTED FROM JUSTICE LETTER AND DESCRIBES BASIS FOR THE INVESTIGATION:

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 140655

QTE - THE GRAND JURY INVESTIGATION WILL INQUIRE INTO

WHETHER THE KWA OR ANY OF ITS MEMBERS AND/OR THE AMERICAN WIG ASSOCIATION ("AWA"), A NEW YORK NONPROFIT CORPORATION WITH OFFICES IN NEW YORK CITY, OR ANY OF ITS MEMBERS, PARTICIPATED IN A CONSPIRACY WITH KOREAN EXPORT TO REFUSE

TO DEAL WITH CERTAIN AMERICAN WIG IMPORTERS AND DISTRIBUTORS AND TO COMPEL CERTAIN OTHER DISTRIBUTORS AND DEALERS TO BOYCOTT KOREAN WIG EXPORTERS WHO ARE NOT MEMBERS OF KOREAN EXPORT. THE INVESTIGATION WILL FOCUS PARTICULARLY ON THE BACKGROUND AND CONSEQUENCES OF AN ANNOUNCEMENT MADE IN FEBRUARY OF THIS YEAR BY KOREAN EXPORT TO THE EFFECT THAT ITS MEMBERS WOULD HENCEFORTH REFUSE TO EXPORT KOREAN WIGS TO ANY AMERICAN IMPORTER WHO IS NEITHER A MEMBER OF KWA NOR AWA. UNQTE

3. AS ROKG HAS INDICATED THAT IT IS NOT INVOLVED IN RESTRICTIVE PRACTICES OF EYELASH AND WIG INDUSTRIES, DEPARTMENT DOES NOT BELIEVE NEED EXISTS TO NOTIFY KOREAN GOVERNMENT. ONCE INVESTIGATION BECOMES KNOWN, HOWEVER, EMBASSY MAY USE INFORMATION PROVIDED ABOVE AS INTERIM REPLY TO ANY INQUIRIES FROM ROKG OR KOREAN ASSOCIATIONS. INFORMATION MAY BE USED AT ANY TIME IF IT WILL SERVE TO ESTABLISH USEFUL CONTACTS. SISCO

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, TRADE LAW, HUMAN HAIR, TRADE CONTROLS, INVESTIGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE140655
Document Source: CORE
Document Unique ID: 00
Drafter: GRPOWERS:VJW
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740173-0265
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974062/aaaaabsu.tel
Line Count: 84
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: SEOUL 2763
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 29 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 AUG 2002 by PhilliRO>; APPROVED <14 JAN 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ANTITRUST: KOREAN WIG AND EYELASH EXPORTS
TAGS: ETRD, KS, US
To: SEOUL
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005